# 2015-2017 Building Communities Fund (BCF) Grant Guidelines

**Capital grants** for nonresidential community and social service projects.

# COMPETITIVE GRANT PROGRAMS:

- Building for the Arts ■
- Building Communities Fund ■
- Youth Recreational Facilities

There is no minimum or maximum grant award amount. **Small and rural projects are encouraged to apply!** 

A standard award of up to 25 percent state match of eligible project costs.

Application Deadline: Thursday, July 31, 2014 at 5 p.m.

Grant application workshops (see back page for details): Tuesday, June 24, 2014 in Spokane Thursday, June 26, 2014 in Seattle Tuesday, July 1, 2014 in Vancouver

- For program questions about the BCF grant please contact <u>Capprograms@commerce.wa.gov</u> or call 360-725-3075
- For technical assistance with the ZoomGrants application please contact <u>Questions@ZoomGrants.com</u> or call 866-323-5404 x2

To receive the latest info, please join our listserv: http://listserv.wa.gov/archives/capital-programs.html

**Community Capital Facilities Programs** 

P.O. Box 42525 Olympia, WA 98504-2525 (360) 725-3075 capprograms@commerce.wa.gov

#### **NEW ONLINE APPLICATION INSTRUCTIONS**

We're excited to offer a new way to apply for the Building Communities Fund Program! All applications for the 2015-2017 Round will be submitted electronically through ZoomGrants. Hardcopies will no longer be accepted. Applications must be submitted to Commerce no later than 5:00pm on Thursday, July 31, 2014.

Click <u>HERE</u> to reach the ZoomGrants website. If you have a ZoomGrants account, log in and follow the instructions. If you are a new user, complete the required information for a new ZoomGrants account to create a profile. Please do not use "The" as the first word in the agency name. Once the agency profile has been created, select the BCF Grant, click the "Apply" button and start your proposal. Answers are automatically saved.

#### TAB 1: SUMMARY

This section includes basic information concerning your organization and proposal, including contact information and other pertinent data. This section must be completed in its entirety.

## TAB 2: ELIGIBILITY TEST

All applicants must first answer and submit the Eligibility Test questions. This section will then need to be approved by Commerce. If approved, you will then be allowed to continue to the next tab.

#### TAB 3: APPLICATION QUESTIONS

Please answer thoroughly and to the best of your ability. Provide cross streets if there is no project address, the parcel number(s) of the project site, and if land will be reparcelled.

#### TAB 4: BUDGET

When listing your project budget, *please use eligible costs only.* This will be different from your *total* project budget, and includes only capital costs that this grant can reimburse. For more information about what costs are eligible, please refer to Page 13.

#### TAB 5: DOCUMENTS

The Documents section of the application is where you will upload the documents required or requested for the application. Please save forms or documents on your computer, complete and then upload to ZoomGrants using the "Upload" button provided. All documents required for your project must be completed and submitted with the application. Failure to provide the requested documentation or providing inaccurate information may result in the proposal receiving less points or being disqualified. If a required document is not applicable to your project, please submit a single page indicating "N/A."

# 2015-2017 Building Community Fund Policy Highlights

#### **Community Service Objective**

An applicant can qualify for funding consideration by demonstrating that a proposed project will offer three or more distinct activities that meet a single community service objective, e.g., a food bank providing (1) food for the needy (2) food program outreach and (3) nutritional education.

#### **Review Process**

The Building Communities Fund (BCF) Advisory Board will solicit, evaluate and rank applications.

#### **Acquisition Projects**

All acquisition projects must provide a current (six to nine month) appraisal or County Assessment of the site to be purchased.

#### **Collateral Requirements**

All capital projects for construction, acquisition and renovation that involve the expenditure of \$250,000 or more in state funds must list Department of Commerce on the deed of trust or leasehold deed of trust and provide title insurance. The deed of trust or leasehold deed of trust in favor of Commerce must be recorded before reimbursement of project costs.

#### **Reimbursement/Billing Procedures**

All capital project reimbursements shall be evidenced by documentation showing the cost has already been incurred by the grantee. The Grantee shall provide copies of the cancelled check or electronic funds transfer (as applicable) confirming payment of each expenditure for the amount of each invoice claimed.

#### **LEED Requirements**

Most projects are required to apply for LEED silver certification. However, renovation projects that involve a new addition to an existing building may require LEED certification as well. New construction projects under 5,000 square feet are exempt from this requirement.

#### **DAHP Compliance Under Governor's Executive Order 05-05**

All capital projects involving ground disturbing activities and/or projects involving a building or structure that is over 50 years in age must be reviewed by the Department of Archaeology and Historic Preservation (DAHP).

#### SIX STEPS TO GETTING A GRANT

We have a strong commitment to supporting smaller facilities and those serving rural parts of the state. If you aren't sure about whether to apply for a BCF grant, don't feel shy about talking to us. We're here to help you succeed!

# STEP 1: Decide whether you are eligible — and get ready to apply

This is a highly competitive grant program, so before submitting your grant application we strongly encourage you do your homework. Take a look at our timeline for awarding funds to make sure that it fits with your cash-flow needs.

# STEP 2: Decide whether to seek LEED certification or an exemption

If you wish to apply for an exemption you can do so at any point between now and when grant applications are due. If you apply for an exemption soon, you can find out whether your request is accepted before deciding whether to prepare a grant application.

### STEP 3: Complete your application online — NEW!!

The BCF Grant Application is now available online! To apply, please follow the ZoomGrants link here.

#### STEP 4: Application Review

Applicants whose projects make it past a preliminary staff review will be reviewed by the BCF Advisory Board. Grants that are approved by the board will be forwarded to the governor and state legislature for final funding approval.

# STEP 5: Negotiate a contract

If the advisory board recommends your project for funding and it is included in the 2015-2017 Capital Budget and signed into law, Community Capital Facilities will draft a contract with your organization before disbursing the funds. See pages 11-13 for contracting requirements— some of which you should start thinking about now.

#### STEP 6: Submit reimbursement materials

This is a reimbursement-style grant. That means no advance payments, but we've worked hard to make the paperwork straightforward. Funds will likely become available by Fall of 2015.

This publication is available in an alternative format upon request. Events sponsored by Commerce are accessible to persons with disabilities. Accommodations may be arranged with a minimum of 10 working days notice by calling (360)725-3075.

# PART 1: PROGRAM BACKGROUND AND ELIGIBILTY REQUIREMENTS

Background

The 2008 Legislature enacted the Building Communities Fund (BCF) to provide a means of identifying qualified community and social service capital projects, and providing capital support to nonprofit agencies and their partners to develop or improve these facilities.

These investments play a key role in improving the economic, social, and educational climate in distressed communities.

#### 1.1 Program purpose

This program awards state grants to nonprofit, community-based organizations to defray up to 25 percent of eligible capital costs to acquire, construct, or rehabilitate nonresidential community service centers. Under exceptional circumstances the state share of project costs may exceed that amount. There is no minimum or maximum grant award amount.

BCF is a state program financed entirely through the sale of state bonds. No federal dollars are involved. This program operates under RCW 43.63A.125.

#### 1.2 Applicant eligibility

All applicants must meet the following eligibility standards at the time the application is submitted:

- Be registered in the state of Washington as a nonprofit organization;
- Possess a current 501(c)3 Internal Revenue Service registration;
- Have a legally constituted board of directors;

- Agree to enter the LEED certification process or receive an exemption from Commerce;
- Agree to pay state prevailing wages as of the date the budget becomes effective;
- have control of the project site via ownership or executed long-term lease (15 years); and
- have made substantial progress in an active capital fundraising campaign dedicated to the project, or have secured all non-state funding needed to complete the project.

#### 1.3 Eligible projects

A proposed project must:

- Be a nonresidential facility;
- Consist of acquisition, construction, or rehabilitation of a facility used to deliver community services (social service and multipurpose community centers) including those serving a distinct or ethnic population; and
- Be located in a "distressed community" **or** serve a substantial number of low-income or disadvantaged persons.

#### A distressed community is defined as:

- A <u>county</u> that has an unemployment rate that is 20 percent above the state average for the immediate previous three years;
- An area within a county designated as "eligible" under the U.S. Department of the Treasury's Community Development Financial Institutions Fund's New Markets Tax Credit program; OR
- A <u>school district</u> in which at least 50 percent of local elementary stu-

This is not a funding source for homeless shelters, transitional housing, or retail operations.

dents receive free and reduced-price meals.

To qualify as serving "a substantial number of low-income or disadvantaged persons" applicants must demonstrate that at least 40 percent of service recipients are at or below 200 percent of the U.S. Dept. of Health and Human Services Poverty Level Guidelines or qualify as "disadvantaged" as outlined by the federal Small Business Administration's Individual Determinations of Social and Economic Disadvantage.

To qualify, applicants must also demonstrate that the project meets all 10 of the following benchmarks:

- I. Will increase the range, efficiency, or quality of the services provided;
- II. Will be located in a distressed community or serve a substantial number of low-income or disadvantaged persons;
- III. Will offer a diverse set of on-site activities that meet multiple community service objectives;
- IV. Reflects a long-term vision for the development of the community, shared by residents, businesses, leaders, and partners;
- V. Requires state funding to accomplish a discrete, usable phase of the

project;

VI. Is ready to proceed and will make timely use of the funds;

VII. Is sponsored by one or more entities that have the organizational and financial capacity to fulfill the terms of the grant agreement and to maintain the project into the future;

VIII. Fills an unmet need for community services;

**IX.** Will achieve its stated objectives: AND

**X.** Is a community priority as shown through tangible commitments of existing or future assets made to the project by community residents, leaders, businesses, and government partners.

#### 1.4 Partnerships

Applicants must be a 501(c)3 nonprofit. Other nonprofits, local jurisdictions, or tribes may partner with the applicant, but the nonprofit must be the primary beneficiary and exercise substantial control over the facility's management.

All partnerships must provide a copy of an executed joint-operating agreement that:

- Lasts a minimum of 15 years;
- Establishes the applicant as possessing substantial authority to

Community Capital Facilities

Department of Commerce

#### Mailing / street address:

P.O. Box 42525 1011 Plum Street SW Olympia, WA 98504-2525 Phone: (360)725-3075 Fax: (360)586-5880

E-mail:

capprograms@commerce.wa.gov

www.commerce.wa.gov/ **CapitalPrograms** 

Listserv:

http://listserv.wa.gov/archives/capital -programs.html

#### STAFF:

#### **Eric Tompkins**

BCF Project Manager (360)725-2924 eric.tompkins@commerce.wa.gov

#### Michael Kendall

Project Manager (360)725-3073 mike.kendall@commerce.wa.gov

#### Sheryl Reed

Project Manager (360)725-3074 sheryl.reed@commerce.wa.gov

#### **Beth Robinson**

Project Manager (360)725-5001 beth.robinson@commerce.wa.gov

#### **Kathy Chance**

Project Manager (360)725-3076 kathy.chance@commerce.wa.gov

#### **COMMERCE LEADERSHIP:**

**Brian Bonlender** 

Director

**Diane Klontz** 

Assistant Director

WHERE TO FIND IT	
Applications BCF 2015-17 application form	Reappropriations

manage the facility and its services; and

■ Contains a contingency plan to address the possibility of dissolution or other change of ownership.

Nonprofit-public partnerships will be assessed for whether their project will benefit the community at large rather than the participating public agency's clients or students. These partnerships must also demonstrate financial need.

#### 1.5 LLCs and nonprofits

The applicant's facility may be owned by a limited liability corporation (LLC) as long as the nonprofit holds the majority interest (more than 50%) through the duration of a tax credit program. Upon dissolution of the LLC, all control and assets must revert to the grantee.

The applicant must be able to demonstrate that it is receiving a significant benefit from the arrangement through a reduction in the capital costs of the facility.

#### 1.6 Mixed-use facilities

A facility that is part of a larger, mixed-use project (such as retail or condominium space) may be eligible for funding. However, this grant can only fund the capital costs of the eligible project space.

#### 1.7 Multiple applications

Organizations with multiple facilities can apply for up to three BCF grants each cycle. Note, however, that we strive to broadly distribute funds among communities and social services throughout the state.

# 1.8 "Exceptional Circumstances"

The state's contribution may exceed 25 percent under "exceptional circumstances." These include projects affected by natural disasters, emergencies beyond an applicant's control, such as a fire or an unanticipated loss of a lease where services are currently provided, a delay that could result in a threat to public health and/or safety, and instances where a local community could quantifiably demonstrate that they had exhausted all possible fundraising efforts.

#### 1.9 LEED exemptions

All applicants are required to enter the LEED certification process or get an exemption. You may do the latter before applying for a grant or as part of your application.

#### 1.10 High-performance buildings law

The 2005 Washington State Legislature passed a law that requires many of our competitive grant recipients to comply with what has been termed "high-performance" or "green" building standards (RCW 39.35D).

The legislation's goal is for major capital facilities projects receiving state dollars to be built to the LEED silver standard where "practicable." LEED (which stands for Leadership in Energy and Environmental Design) is a certification program run by the U.S. Green Building Council.

These building principles offer the most savings when incorporated early in the design process. That's why we strongly encourage you to talk with your architect as soon as possible.

The first issue you may wish to explore is whether your project is required to meet the LEED silver standard. The law offers two types of exemptions.

#### **Exemption 1: Facility types**

The following types of facilities are exempt:

■ Acquisition only, does not include construction or renovation;

- New construction less than 5,000 gross square feet of occupied or conditioned space as defined by the State Energy Code;
- Renovation projects whose costs are less than 50 percent of the facility's assessed value *and* are less than 5,000 gross square feet of occupied or conditioned space; or
- Facilities such as hospitals; research facilities primarily used for laboratory experimentation, research, or training in research methods; or similar building types.

#### Exemption 2: "Not practicable"

Renovation projects that involve a new addition to an existing building may not be required for LEED Certification. We are not permitted to offer this exemption because of cost or timing-related issues.

#### **Pre-application exemption requests**

You don't need to wait until you turn in a grant application to find out if your project will be exempted. Our website has a LEED Declaration form that you and/or your architect fill out. You can find that form <a href="here">here</a> or in the "Documents" tab in the BCF inline application.

According to the
American Institute of
Architects,
high-performance
buildings are cheaper
to operate, save water
and energy, and
improve worker
performance.

#### **PART 2: THE REVIEW PROCESS**

#### 2.1 Application submissions

Applications must be received by Thursday, **July 31, 2014** at 5p.m. In the interest of fairness, deadlines will be strictly observed. Note that applications received by mail or facsimile machines (FAX) will not be accepted.

#### 2.2 Preliminary review

After the submittal deadline, staff will review applications for eligibility and completeness. Those that are incomplete or do not meet eligibility standards **will not** be forwarded to the BCF Advisory Board for review.

#### 2.3 Applicant notification

After the preliminary review, each applicant will receive notification from Community Capital Facilities as to whether their project has been forwarded to the BCF Advisory Board.

Those whose projects are not forwarded to the BCF Advisory Board will be informed of the reasons in writing,

and are encouraged to discuss with our staff how to prepare a more competitive grant for a future funding cycle.

#### 2.4 Advisory Board role

The BCF Advisory Board helps develop program policy, reviews applications, and recommends projects for funding. The board consists of volunteers with demonstrated expertise in funding, administering, or advocating for social service organizations.

The board includes grant officers from major foundations. The caliber of your application could influence your project's success with funding sources beyond our program.

#### 2.5 Board work session

The BCF Advisory Board is scheduled to convene a work session at the Department of Commerce on July 30th and 31st. The board will review project applications and develop a ranked list of qualified eligible projects.

The BCF Advisory
Board includes grant
officers from major
foundations. The
caliber of your
application could
influence your
project's success
with funding sources
beyond our program.

Commerce reserves the right to reject applications that are unclear or provide incomplete information.

#### 2015-2017 BCF GRANT DATES

**BCF** grant application workshops

Applications due (no exceptions)

Notification of preliminary review results

**BCF Advisory Board work session** 

Recommendations forwarded to Governor and Legislature

Governor releases proposed capital budget

2015-2017 Capital Budget signed into law

Community Capital Facilities may begin disbursing funds

**Expiration of funds without legislative action** 

June 24-July 1, 2014

July 31, 2014

August, 2014

August 26th - 28th, 2014

September 2014 (estimated)

December 2014 (estimated)

June 2015 (estimated)

September 2015 (estimated)

June 30, 2017

#### 2.6 Board Testimony

Applicants will be given time to offer testimony about their proposals and answer questions from board members. You are not required to attend in order to be considered for funding, however, the panel values the opportunity to hear from applicants, and may ask questions to better understand submitted materials.

The allotted time will range from 10 to 20 minutes, depending on the number of applications forwarded to the board. We strongly encourage concise, low-tech presentations with as few presenters, props, and handouts as possible.

#### 2.7 Appropriations process

The board will forward its recommendations, in the form of a prioritized list of projects to the Director of Commerce in the fall of 2014. If approved by the Director, the list will be included in the agency's 2015-2017 Capital Budget request, which is submitted to the governor's budget office. If approved by the governor, the list will be include in the 2015-2017 Capital Budget request.

The 2015 Legislature will make the final determination as to which projects, if any, receive BCF grants, and the total amount of funds to be provided for the 2015-2017 biennium. The governor must sign the capital budget before an appropriation is legally binding.

#### 2.8 Appeals

The Board's decisions are final and cannot be appealed. However, staff would be happy to assist in strategizing how to develop an application for a future funding cycle.

#### 2.9 Misrepresentation

Any organization that presents false or misleading information in their application will be disqualified. Such statements can color your organization's reputation not only with Commerce but also with members of our board who are grant officers for some of the state's largest foundations.

# Grants are subject to an administrative fee

Community Capital Facilities is authorized to retain up to 3 percent from each award to cover all administration costs. This is our sole source of funding; we receive no state General Fund dollars. For the **2013-2015** Biennium Commerce retained 3 percent from competitive grants such as those offered by the BCF program. Keep this in mind as you develop your project budget.

#### **PART 3: CONTRACTING SPECIFICS**

#### 3.1 Funding restrictions

Funds awarded under this program originate from the sale of state capital bonds, and include no federal funds.

We strive to administer funds expediently and with a minimum of red tape. We do so within the policies and procedures established by the Legislature, the state Office of Financial Management, the Treasurer and the Office of the Attorney General. We must also comply with federal arbitrage regulations.

BCF awards are funded through an appropriation in the capital budget. A grant can only be spent by the designated organization for costs that fit the scope of work listed in the grant application. The application becomes a controlling document that guides how a grant can be spent.

#### 3.2 Cost reimbursement

Capital budget funds are available on a reimbursement basis only, and cannot be advanced under *any* circumstances. Reimbursable costs are those that a grantee has already incurred and paid.

We may reimburse grant recipients for costs incurred prior to the date a contract is executed, and as far back as July 1, 2012. The project start date must be accurately stated in the application in order for us to do so.

#### 3.3 Matching funds

BCF grants may be used to pay up to 25 percent or more of *eligible* project costs. We cannot match other state grants. This is why these funds cannot be included in your BCF grant application's project budget.

Non-state matching funds may consist of cash on hand, documented pledge commitments, the value of land acquired for the project, and in-kind contributions when properly documented.

Grantees may also include the proceeds of a letter of credit or other binding loan commitments as part of their non-state matching funds. The value of land used as non-state match must be supported by a current appraisal performed by a certified professional appraiser or a county assessment.

#### 3.4 Availability of funds

Funds are expected to be available in September of the following year, but that can vary depending upon factors such as when the state budget is approved. A contract cannot be written until the grantee has met all funding conditions.

Contracts generally take three to four weeks to execute once the grantee provides us with all needed information. Contracts are developed on a first-come, first-serve basis. A contract cannot be written until the grantee has met all the funding conditions.

Due to these uncertainties, grantees are advised to talk with Community Capital Facilities staff before including state funds into their cash-flow projections.

#### 3.5 Contracting conditions

The following requirements must be met before grantees can begin drawing down their grant funds.

■ Grantees must demonstrate in writing the financial capability to com-

This is a reimbursement style grant, and you can start drawing down funds only after all other money needed to complete the project has been raised. However, you can receive reimbursement for any eligible costs incurred and paid as far back as July 1, 2012. plete the project. This generally means that the entire amount of non-state matching funds must be committed to the project.

- Grantees must provide written evidence of site control by the application deadline, either through outright ownership of the subject property or an executed long-term lease (at least 15 years).
- Grantees must provide Commerce with a deed of trust or leasehold deed of trust as security for the grant and it must be recorded before reimbursement of project costs. Contracts under \$250,000 are exempt from this requirement.

#### 3.6 Documenting expenses

We reimburse contractors only after receiving copies of the original billing documents (invoices) and copies of cancelled checks or electronic funds transfer, as applicable. In all cases, costs must be documented and auditable.

#### 3.7 Prevailing-wage law

Construction projects that receive any of our grants are required to pay state prevailing wages as of the date the Capital Budget becomes effective.

The Department of Labor and Industries is the state agency that implements prevailing wage law. For more information, contact Industrial Statistician Jim Christensen at 360-902-5330 or *chrj235@lni.wa.gov*.

#### 3.8 Reappropriations

Some grant recipients may not be able to expend all of their funds by the end of the 2015-2017 Biennium (June 30, 2017). Any unexpended funds will lapse on that date unless reappropriated.

Although not legally obligated to do so, the Legislature generally reappropriates unspent funds for long-term capital projects such as those funded through BCF, but no longer than one additional biennium.

#### 3.9 Rescinding funds

If an organization does not begin drawing down its funds within 12 months of the start of the biennium (July 1, 2015) we reserve the right to rescind the authorization. If this occurs, the organization may reapply for funding in future grant cycles.

#### 3.10 Change of ownership

Most of the capital projects constructed with state funds require that the facility or project be held by the grantee for a period of time appropriate to the amount of the state grant (a minimum of 15 years) and that the facility or project be used for the same purpose expressed in the enabling legislation or contract.

#### 3.11 Eligible costs

Capital budget funds may generally be used to pay for the following construction-related expenses incurred as far back as July 1, 2012:

- design, architectural, and engineering work;
- building permits/fees;
- archaeological/historical review;
- construction labor and materials;
- demolition/site preparation;
- capitalized equipment;
- information technology infrastructure (cables and wiring);
- construction management (from external sources only)\*;
- initial furnishings\*\*;
- landscaping, and
- real property when purchased specifically for the project, and associated costs.\*\*\*

#### 3.12 Ineligible costs

Our grants are intended to fund bricks and mortar. The following costs are not eligible for reimbursement and cannot be used to match state funds:

- internal administrative activities:
- project management (from any sources);
- fundraising activities;
- feasibility studies;
- computers or office equipment;
- rolling stock (such as vehicles);
- lease payments for rental of equipment or facilities;
- mortgages and property leases (including long-term);
- the moving of equipment, furniture, etc., between facilities; and
- painting and other regular maintenance costs.

#### 3.13 Loan pay downs/payoffs

We can assist in paying down or paying off a construction or bridge loan that was incurred on or after July 1, 2012 as part of the project. BCF grants cannot be used to refinance debt, e.g., to pay down a mortgage regardless of when it was incurred.

- \* Construction management and observation is on-site management and/or supervision of the work site and workers thereon. This is an eligible project cost. Construction management does not include work typically performed by offsite consultants or consultant organizations, grant writers, project managers, or employees of the grantee, unless the employee is hired solely and specifically to perform on-site construction management as defined above.
- \*\* Furnishings and equipment are considered eligible project costs as long as the average useful life of the item purchased is 13 years or more.
- \*\*\* Costs directly associated with property acquisition include appraisal fees, title opinions, surveying fees, real estate fees, title transfer taxes, easements of record, and legal expenses.

State (as opposed to federal) prevailing wages are required of all construction projects as of the date the budget becomes effective.

Construction
management does
not include work
performed by
off-site
consultants or
consultant
organizations,
grant writers, or
project managers.

## What constitutes a 'major' project?

All of our competitive grants only fund new construction or renovation that is "major" in scope. We do not consider such a project to be general maintenance and repairs, or Americans with Disabilities Act (ADA) upgrades. An aggregation of ordinary maintenance items does not constitute a major project, regardless of its cost.

The installation of an elevator would not be fundable as a stand-alone project. Nor would replacing a roof or installing energy-efficient windows in a smaller building, purchasing bleachers, expanding a parking lot, or adding a security system. On the other hand, these would be eligible costs if included as part of a larger project.

When drawing a line between a major and minor project we consider the complexity of the project. Another factor could be the greater difficulty of funding capital projects in rural parts of the state. That's why we strongly encourage you to contact Commerce Capital Facilities staff if you are unsure whether your project is eligible.

#### Loans and bonds in a capital campaign

The legislative intent of this program is to reward nonprofit organizations' successful capital campaigns. However, the BCF Board recognizes that these campaigns may take on a variety of permutations depending upon such factors as the nature of the project, the fundraising climate in a given part of the state, and an applicant's prior experience with large-scale fundraising.

For example, it may make sense for some projects to depend heavily on loans or bonds. The BCF board will consider these types of projects if they show evidence of financial sustainability.

Loans and other credit instruments are treated the same as cash in meeting a grantee's non-state match requirement — as long as they were incurred after June 30, 2012 specifically for the project. A bridge loan could allow the release of a grantee's funds if there have been delays in the completion of its fundraising drive.

**Bonds** will be viewed as committed funds if the applicant documents:

- its bonding capacity; and
- a legal commitment to issue bonds dedicated to the project.

#### How should in-kind donations be handled?

You may apply in-kind donations toward your match requirement. Eligible donations include property, labor (except when donated by an applicant's paid staff), materials, or equipment as long as their value can be properly assessed and documented.

For example, the value of donated real estate must be documented by a appraisal performed by a certified professional appraiser or county assessment.

We treat in-kind professional and nonprofessional labor differently. Professional labor is calculated at the rate a volunteer would normally charge for his or her services (be sure to document these costs with invoices). Nonprofessional labor is calculated at \$10 per hour. This can be documented with a memo itemizing the type of work done and number of

hours worked by your volunteers.

There is no limit to the portion of inkind donations that can be applied to your non-state match. However, we reserve the right to make the final determination regarding the acceptability of in -kind contributions.

The BCF board is wary of projects too dependent on in-kind donations, particularly if they are heavily leveraged with loans. This is why the amount of nonprofessional, in-kind labor you can receive credit for in our formula points is capped at 10 percent of project costs.

In general, reviewers look for evidence that an applicant has the ability to raise the funds needed to complete the project and cover its ongoing costs of operation.

- Get your questions answered
- Learn from other applicants
- Meet Community Capital Facilities staff

#### AT BUILDING COMMUNITIES FUND GRANT WORKSHOPS!

Join us for a grant application workshop. These free workshops — offered in both Eastern and Western Washington — will consist of a brief presentation about the Building Communities Fund (BCF) program, followed by a step-by-step review of the application process, and a question-and-answer period. Because this is a newer program, we would strongly encourage even seasoned grant writers to attend. Please send an email with names of all attending to Community Capital Facilities here.

#### **Spokane Workshop**

Tuesday, June 24, 2014

10 a.m. - 12 p.m. Spokane Community College 1810 North Greene Street Bldg. 6, Room 124A-B Spokane, WA

# For directions & parking information:

http://www.scc.spokane.edu/ College/MapsDirections.aspx

# Seattle Workshop

Thursday, June 26, 2014

11 a.m. - 1 p.m. Red Lion Hotel Seattle Airport Tacoma Room 18220 International Blvd. Seattle, WA

#### For directions:

http://www.redlion.com/our-hotels/washington/seattle-airport/map-directions/

#### **Vancouver Workshop**

Tuesday, July 1, 2014

11 a.m. - 1 p.m.
Clark College
Columbia Tech Center Building

Rooms 144 & 146 18700 SE Mill Plain Boulevard

Vancouver, WA

#### For directions:

http://www.clark.edu/ctc/location.php

# **Community Capital Facilities**

Mailing address: P.O. Box 42525, Olympia, WA 98504-2525

Main phone: (360) 725-3075

**Email:** <a href="mailto:capprograms@commerce.wa.gov">capprograms@commerce.wa.gov</a>/CapitalPrograms

**Listserv**: <a href="http://listserv.wa.gov/archives/capital-programs.html">http://listserv.wa.gov/archives/capital-programs.html</a>